

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:64
ANSWERED ON:27.07.2000
PRIVATE INVESTMENTS IN POWER GENERATION
CHINTAMAN NAVSHA WANAGA;JAI PRAKASH

Will the Minister of POWER be pleased to state:

- (a) whether the Government have decided to invite private investments in power generation, transmission and distribution network;
- (b) if so, the details of the proposals received and cleared since privatisation policy;
- (c) whether private investments have been made only in some parts of the country so far; and
- (d) if so, the details thereof, State and Territory-wise?

Answer

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGALAM)

(a) to (d): A Statement is laid on the Table of the House.
STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 64 TO BE ANSWERED IN THE LOK SABHA ON 27.7.2000 REGARDING PRIVATE INVESTMENTS IN POWER GENERATION.

(a): The policy to encourage greater participation by private sector in the generation, supply and distribution of electricity was announced by the Government in October, 1991. With the enactment of the Electricity Laws (Amendment) Act, 1998 (Act No. 22 of 1998), it has become possible to have private sector investment in the field of transmission also. Transmission has now been recognized as a separate business activity and the private parties can enter into the power transmission business under overall supervision and control of the Central Transmission Utility i.e., Power Grid Corporation of India Ltd. (POWERGRID).

(b): As on 30.6.2000, detailed project reports (DPR)/proposals in respect of 76 private sector generation projects aggregating to 38133.9 MW have been received in the Central Electricity Authority (CEA) for Techno-Economic Clearance (TEC). Out of these, 57 projects aggregating to 29362.3 MW have been accorded TEC by CEA. Distribution is the responsibility of the State Governments.

(c) & (d): Till date, private power projects have been commissioned or are under construction in several states. A list of private sector power projects techno-economically cleared by CEA, which have so far been commissioned is at Annexure-I. A list of such projects which have started construction, is at Annexure-II. Apart from this, some projects which do not require the concurrence of CEA have also been commissioned/started construction.

In so far as distribution sector is concerned, private companies like Calcutta Electric Supply Company in Calcutta, Ahmedabad Electric Company in Ahmedabad, Tata Electric Company and Bombay suburban Electric Supply Company (BSES) in Mumbai and Noida Power Company in Noida are already operational. In the recent past, Orissa is the only State which has privatised distribution. BSES has taken over three zones while M/s AES Ltd. of United States has taken over the Central Zone.